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DD/R - Budget

TS 185107

27 June 1962

DD(R) to Comptroller

Subj: Comments for the Bureau of the Budget on Certain Agency Budgeting Practices

Re Overhead Recon Collection:
This section raises the question of the limited program funding flexibility of the CIA in managing such large programs as are required for overhead recon capabilities. Until FY 63 there had been split funding for these systems between DOD and CIA, which required certain fund transfers. Beginning with FY 63 the CIA is to budget for all covert system development. However, major accelerations in the CIA development program will require addtl fund transfers in FY 63 even under the new budget system. The Agency is taking steps to provide more realistic funding for these large systems in FY 64 and beyond. All the programs and funds which the Agency budgets for this purpose are, of course, at the direction and under the approval of the DNRO. Increased funds which are required because of DNRO decisions concerning Agency programs will of necessity be provided for by the DOD. By FY 64 this should be required only in exceptional cases.

NRO review(s) completed.

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